

H.R. 1807, Improving Disclosure for Investors Act of 2023

As ordered reported by the House Committee on Financial Services on April 26, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
		Contains intergovernmental mandate?	No
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains private-sector mandate?	Yes, Under Threshold
		* = between -\$500,000 and \$500,000.	

H.R. 1807 would require the Securities and Exchange Commission (SEC) to issue new rules and amend current rules to allow entities, such as investment companies and advisors, to deliver regulatory documents to investors in electronic form as the primary means of communication. Such regulatory documents include annual reports, proxy statements, and privacy notices.

Using information about the cost of similar rulemakings, CBO estimates that implementing H.R. 1807 would cost \$1 million over the 2023-2024 period. CBO expects the commission would need four employees, at an average annual cost of \$300,000 per employee, to issue and amend rules over one year. However, because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2023-2024 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increased fees to offset the costs for rulemaking as required by the bill, H.R. 1807 would increase the cost of an existing mandate as defined in the Unfunded Mandates Reform Act (UMRA) on private entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



threshold for private-sector mandates established in UMRA (\$198 million in 2023, adjusted annually for inflation). The bill would not impose any intergovernmental mandates.

The CBO staff contacts for this estimate are David Hughes (for federal costs) and Andrew Laughlin (for mandates). The estimate was reviewed by Theresa Gullo, Director of Budget Analysis.

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel
Director, Congressional Budget Office